

## **FISCAL NOTE**

### **SB 3775 – HB 3926**

February 4, 2008

**SUMMARY OF BILL:** Requires Metropolitan Nashville-Davidson County may only levy an additional \$2 privilege tax upon hotel rooms for the first 30 consecutive nights of occupancy. Current law places no limitations on the number of nights the tax may be collected.

#### **ESTIMATED FISCAL IMPACT:**

**Decrease Local Gov't. Revenue - \$10,000**

Assumptions:

- Metropolitan Nashville-Davidson County does not maintain records on how many consecutive nights a person stays in a hotel room. However, the number is assumed to be small.
- In the absence of relevant data, it is estimated that 500 persons per year stay ten nights over the limit of 30 nights. Removing the additional \$2 tax for those nights would result in a decrease in local government revenue of \$10,000 [(500 persons x 10 nights = 5,000) x \$2 = \$10,000].

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/kmc